

QUALITY *Update*

News about the Total Quality Process

August 1989

A Special Thanks To All Of You

I was extremely excited about Quality Expo I, because it truly exemplifies what we are trying to do at Parker Pen. At the Expo, we saw the efforts of groups of people who formed teams to correct problems. The problems they resolved will allow us to better serve and satisfy our customers--which will allow us to better compete.


While Quality Expo I primarily highlighted accomplishments in the manufacturing division of our business, we must generate the same effort and results in sales, service, administration, finance and marketing.

The only thing we are really trying to do is to distinguish ourselves from our competitors. The reason we want customers to buy Parker products is because we are different--not only in the quality of our writing instruments but in the quality of every aspect of our business.

To repeat our Vision Statement, our goal in five years is to be the world leader in providing the finest and most desirable writing instruments.

We will attempt to achieve this goal in part through the Parker Quality Policy, in which employees actively seek out the needs and expectations of their personal customers and consistently meet or exceed them.

I am greatly encouraged by our efforts, and I ask Parker employees to continue their outstanding commitment to the Total Quality Process--and to meeting the challenges facing us in the '90s.



Peter Bentley



At Quality Expo I, Mark Markham, Dick Blumreich and Mary Schmidt receive nameplates from Doreen Rothenbuehler of the Engraving Team.

Quality Expo I Builds on Momentum

On June 20 and 21 the Total Quality Process received a superb boost at Parker Pen through the inaugural Quality Expo I, which successfully highlighted the efforts of 30 Teams.

The Teams, representing a variety of company areas, displayed their achievements in attaining greater quality in exhibits that were viewed by all Parker employees.

The purpose of Quality Expo I was to: (1) provide teams with an opportunity to communicate what projects they worked on, why they worked on them and what they accomplished; (2) to allow employees to share ideas with each other on what worked and what did not; and (3) to discuss the long-term progress that Teams made.

Quality Expo I was organized by the Manufacturing Recognition/Communications Team, which consists of Colleen Adamany, Marcia Hamilton (team leader), Brad Horner, Bob Kuranz and Carolyn Sime. An Expo memento, a complimentary can wrap featuring the TQP logo, was given to each employee in attendance.

Since Quality Expo I, more quality teams have been established, and it is likely a second Quality Expo will be held in 1990.

How We'll Get There From Here

Some of you have inquired about the two quality posters that are displayed throughout the building. Basically they serve two purposes.

They represent the progress that Parker has made in total quality since the company's directors began developing a company-wide quality process last January.

The posters also state Parker's five-year goal (Parker Vision) and one of our ways of reaching this goal (Parker Quality Policy).

Parker Vision

Parker Pen is the world leader in providing the finest and most desirable writing instruments.

Parker Quality Policy

For individual growth and company success, employees will actively seek out the needs and expectations of their personal customers and consistently meet or exceed them.

All of you will learn more about these statements, as well as your role in Parker's quality process, during the next six months at Total Quality Process sessions.

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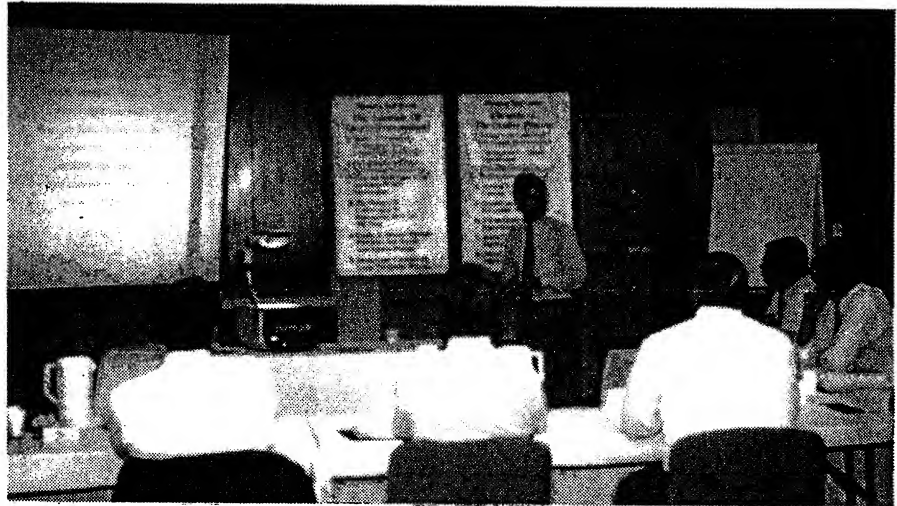
September 1989

First Annual Parker Pen USA Limited Quality Improvement Plan

One of the major elements of the Total Quality Process is the development of a plan for quality improvement. The plan has five parts to it:

1. **Development of a five-year vision statement.** This is a statement of where Parker Pen USA Limited wants to be in five years. Completed February 1989.
2. **Development of a quality policy.** This is a statement of principles that we value, which are used in helping achieve the five-year vision. It focuses thinking on the internal and external customer. Completed February 1989.
3. **Development of evidence of success statements.** This series of short statements describes measurable results characterizing our organization when the vision is achieved. The statements are in terms of customers, employees and owners. Estimated completion date: October 1989.
4. **Identification of first-year, company-wide projects to move us toward the vision.** From a list of 34 potential projects, seven were selected to be first-year projects. They are:

- Quality awareness training for all employees. Project leader: Rick Edwards; project mentor: Owen Jones.
- On-going quality awareness and skills training for all employees. Project leader: Brad Horner; project mentor: Owen Jones.
- Identification and review of personal products and customers by all employees. Project leader: Peggy Eagan; project mentor: Shane Dolohanty
- Total Quality Process communication. Project leader: Dan Fredricks; project mentor: Peter Bentley.
- Company-wide quality teams structure. Project leader: Brad Horner; project mentor: Dave Connors.



Managers and supervisors participate in a quality training session. Sessions for all employees will begin in October.

- Customer-expectations driven business/marketing plan. Project leader: Bob Walker; project mentor: Bob Walker.
 - Management leadership and involvement in the Total Quality Process. Project leader: Vern Desbien; project mentors: Vern Desbien and Peter Bentley.
5. **Management review and follow up of the annual plan.** Monthly Quality Steering Team meetings are held to discuss Total Quality Process matters. Quality Steering Team members are: Peter Bentley, Dave Connors, Vern Desbien, Shane Dolohanty, Owen Jones, Bob Walker and Brad Horner. This is an on-going "project."

These projects are all under way.

TEAMS UPDATE

As of August 31, 1989, there were 37 registered improvement teams and five more that have disbanded, having met their mission(s).

New teams formed (since Quality Expo I):

1. **Express Project Team** - Cathy Christianson, Vern Desbien, Doug Delling (Leader), Peggy Eagan, Sue Hendrickson, Steve Schuler. Their mission is to develop and implement five-to-seven day service on a limited number of Parker products with limited marking processes.
2. **Communications Style** - Phyllis Anderson, Dolores Dilley, Kris Galassini, Sue Hendrickson, Isabel Millard, Carolyn Sime, Tim Solinger (Leader), Diane Utzig.

Their three missions involve the development of a "Communications Style Guide" for resolving communications questions and problems.

3. **S.A.M. (Sales and Marketing)** - Dave Connors (Leader), Bill Englehart, Paula Falk, Pat Hoagland, Ken Soergel, Bob Walker, Greg Watts. Their mission is to improve communications and working relationships between Sales and Marketing.
4. **Jotter Data Team** - Brad Horner (Leader), John Livick, Cherry Marko, Dave Nelson, Dave Zeier. Their mission is to facilitate the collection, analysis and use of data to ensure that the Jotter production process results in a product that conforms to customer expectations.

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November, 1989

TOTAL QUALITY PROCESS QUESTIONS AND ANSWERS

What is the Total Quality Process?

It is an organized system for company-wide improvement. The system has many features to it. Some of the major features are: focusing on customers, preventing problems, measuring quality and promoting open decision-making.

Why are we starting the Total Quality Process?

Parker Pen USA top management believes that it will make us more competitive in the worldwide marketplace, and it tends to enhance working conditions.

When did it start at Parker Pen USA?

Manufacturing and Distribution began a Total Quality Process about two years ago. The company-wide process began in January of 1989 when the Parker Pen USA Board of Directors attended a three-day orientation and planning workshop.

What kind of education/training has occurred and is planned?

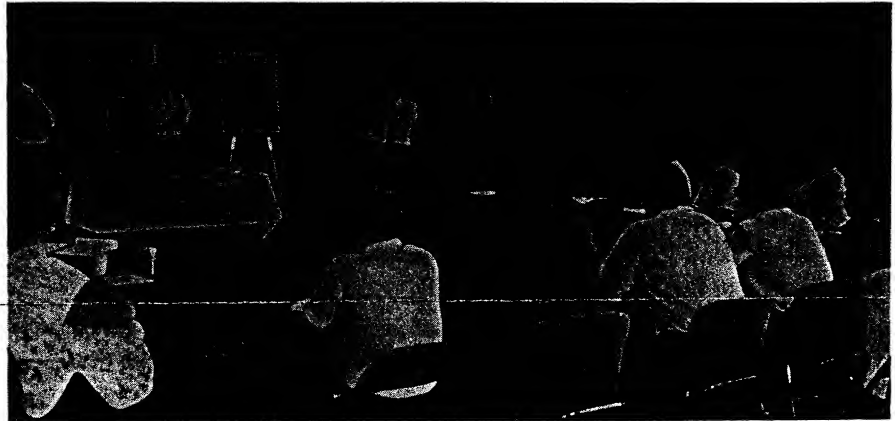
The two main Total Quality Process educational activities for this first year are: "Managing Total Quality" - a three-day workshop that managers and supervisors attended in June, July and August of this year; and "Your Role in Quality" - a four-session, 11 hour workshop that all non-supervisory employees will attend between now and mid-1990. The first session of "Your Role in Quality" was held in late October.

How will I know when my "Your Role in Quality" workshop is scheduled?

Your supervisor will discuss this with you.

Who is teaching the courses?

The teachers are actually called "facilitators" since they assist in implementing the Total Quality Process, in addition to teaching. They are: Peggy Eagan (Art Department Supervisor), Rick Edwards (Employee Relations Director), Dan Fredricks (C.M.D. Marketing Planner), Brad Horner (Total Quality Process Manager)



Listening to Customers Danny Lum, Regional Director-Far East, and Toshio Hayashi (speaking), Managing Director-Parker Japan, discuss customer expectations with manufacturing and distribution personnel during their visit in late October.

and Wayne Lubke (Manager-Sales and Operations Planning).

Besides the training, what else is planned?

A brief description of the seven first-year projects was given in the last *Quality Update*. "Your Role in Quality" classes also include some discussion of these projects.

Where do the teams fit in?

Teamwork (formal and informal) is one way that is being used to help solve and prevent problems, and improve communication.

How do I form a team or get on a team?

To form a team, it is recommended that you participate in a "Team Leader Workshop", however, it is not required. See Rick Edwards or Brad Horner for details.

To get on a team, simply ask the leader. The list of teams currently "registered" is on the back of this page.

For further information, call Brad Horner at 7068.

TEAM UPDATES

As of October 26, 1989, there were 41 registered improvement teams. Six have disbanded having met their mission(s).

New Teams Formed (Since the last *Quality Update*)

1. **S.P.C. (Statistical Process Control) STEERING GROUP** - Ken Crandall, Gary Fisher, Chuck Happel, Brad Horner, Mary Johnson, Chris Pastore, Nancy Spenske and Steve Tinkler (Leader). Their missions involve developing S.P.C. vision and policies, and communicating/facilitating S.P.C. implementation in manufacturing.
2. **EYELET CRIB** - Eugene Brown, Dean Campbell, Gary Clark, Gary Fisher (Leader), Don Fuller, Fred Lowack, Greg Johnson, Randy Keller, Ken Peters and Dick Russell. Their missions involve the design and planning of a storage "crib" for Eyelet area tooling.
3. **SOLVENT USAGE REDUCTION** - Harold Baumgartner, Bill Colby, John Houseman (Leader), Judy Koebnick, Pat Maloney and Kathy Peters. Their missions involve studying de-greaser solvent usage and developing methods to reduce and monitor it.
4. **C.A.R.E. (Customers Are Really Everything)** - Phyllis Anderson, Rick Dill, Sue Hendrickson, Mary Johnson, Owen Jones and Carolyn Sime (Leader). Their missions are to communicate customer service activities and to develop an ongoing program to keep external customer service highly visible.
5. **V.I.P. INSPECTION TEAM** - Bev Anderson, Vicky Byrne, Phyllis Connell, Helen Lewis, Edna Kilpatrick, Karen Pike (Leader) and Rae Rita Zuvon. Their mission is to develop efficient and hassle-free systems to ensure C.M.D. products and delivery meet customer expectations.

CURRENT TEAM NAMES, LEADERS AND THEIR MAIN TOPICS

Marathoners, Bob Metze, World Class Manufacturer Status Activities
J.I.T. (Just-In-Time), Owen Jones, Plant-Wide Just-In-Time
Supplier Improvement, Owen Jones, Supplier Improvement
Total Productive Maintenance (formerly "Preventive Maintenance"), John Jacks, Plant-Wide T.P.M.
New Product Planning, Owen Jones, New Product Planning
I.S.O. 9000, Bob Kuranz, Certification To I.S.O. 9000 (An International Standard Of Excellence)
Cost of Quality, Brad Horner, Dollars Spent To Achieve Quality In Service And Products
S.P.C. (Statistical Process Control), Steve Tinkler, S.P.C. Vision And Policies
Roller Ball Point Team, Dennis Berlowski, Roller Ball Points
Ball Pen Point Team, Dennis Berlowski, Ball Pen Points
Ball Pen Hutt Assembly, Chris Pastore, Ball Pen Refill Assembly
P.E.T. R.A.T.S. (Process Excellence Team-Roller Ball Assembly Team), Dan Piehl, Roller Ball Refill Assembly
Engineering Change, Jim Kukuk, Engineering Change
Graphics Specifications Book Team, Peggy Eagan, Graphics Standards Reference Manual
English Machine Excellence Team, Ed Swets, Graphics Machines
Short Shipment Team, Carolyn Sime, Customers Claiming Missing Product
T.N.T.(Target Nominal Today), Marty Wacha, Reduction Of Product Variability
Engraving, Marty Peters, Engraving Process
PEP-Parker Employee Purchases, Carolyn Sime, Employee Purchases
Flashers, Bill Fanning, Roller Ball Collector Problem
Sterling Paint Improvement Process, John Livick, Painting On Sterling Silver
Vector R/Flex V.I.P. Team, John Livick, "Pull" Production System In Vector Cell
C.M.D. Returned Goods, Linda Churchill, C.M.D. Returned Goods
Vector Color Mismatch, Nancy Spenske, Vector Color Mismatch
Molding P.M., Mike Ellis, Molding Department Preventive Maintenance
Preventive Maintenance Sputtering Department Team, Chuck Rote, Sputtering P.M.
Defective Analysis Team, Mary Johnson, Field Returns Data
Dustbusters, Chuck Happel, Dust Reduction - G.P.E. Machine (Graphics Department)
Clip Badge Process, Marty Peters, New Machine For Clip Badges
Communications Reference Guide, Tim Solinger, Communications Reference Guide
Employee Transfers, Mike Ellis, Production Employee Transfers
Sales and Marketing (S.A.M.), Dave Connors, Communications Between Sales And Marketing
Eyelet Crib, Gary Fisher, Eyelet Department Tool Crib
Solvent Usage Reduction, John Houseman, Solvent Usage Reduction
Desk Set Process Improvement, Mike Ellis, Desk Set Production
Refill Area J.I.T. Implementation, Dick Weisgerber, Refill Area Just-In-Time
V.I.P. Inspection Team, Karen Pike, Inspection Of C.M.D. Products
Express Project Team, Vern Desbien, Short Lead Time - Certain C.M.D. Products
Jotter/Vector Molding Powder, Jim Planinsheck, Standardization Of Molding Powders
C.A.R.E. (Customers Are Really Everything), Carolyn Sime, Customers Are Really Everything

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News about the Total Quality Process

January 1990

New Machine's Product Quality and Reliability Increased

Team Name:

Trim and Chamfer

Team Members:

Randy Burnside

Wally Clark

Gary Fisher

Don Fuller

Brad Horner (Team Leader)

David A. Miller

Dan Piehl (Team Secretary)

Team Missions:

1. To reduce the downtime of the machine to a satisfactory level. Institute permanent solutions.
2. Reduce and eliminate non-conformances of product off the machine. Institute permanent solutions.

Beginning and ending dates: September 11, 1987 - May 18, 1989

This was the first formal quality improvement team. When the team started, the machine was "down" (not able to run) 50% of the time and the defect rate was 16%. Thousands of dollars every month were lost in low productivity, high scrap and wasted time.



Trim and Chamfer Team members (left to right): standing - Gary Fisher, Brad Horner, Dan Piehl; sitting - Don Fuller, David Miller; not pictured - Randy Burnside, Wally Clark.

With the help of the Eyelet Department and Toolroom employees, the team made many small improvements to the machine, created a "Trouble-Shooting Guide", and made a calendar for preventive maintenance.

When the team disbanded, the previous six months saw the unplanned downtime rate at .8% and the defect rate was .3%.

This increased reliability and product quality prompted Trim and Chamfer customer

Dick Weisgerber, Unit Manager - Refill Department, to write on March 15, 1989:

To: Gary Fisher and the Trim and Chamfer Team

Good job - on behalf of the South End - Thanks! It really helps us do our jobs in a World Class way.

Though officially disbanded, the team continues to meet every three months to discuss recent developments.

Team Improves Lobby Service

Team Name:

Lobby Service

Team Members:

Phyllis Anderson (Team Secretary)

Mary Johnson (Team Leader)

Debbie Martin

Pat Venable

Team Missions:

1. Review "walk-in"/lobby repair and replacement policy and procedures.
2. Recommend improvements to service policy and procedures.

Beginning and ending dates: June 21, 1988 - October 24, 1988

On the average, one or two people per day bring writing instruments for repair or replacement directly to Arrow Park, rather than mailing them in. Prior to this team's existence, this was somewhat of a problem for the

receptionist, the Service Department and the customer.

The team created a convenient form for the customer to fill out that has a receipt and a package for the writing instrument. They also added a direct telephone line in the lobby to allow customers to call the Service Department.

The result is better lobby service for walk-in customers and smoother operations for the receptionist and the Service Department.



Lobby Service Team members (left to right): Phyllis Anderson, Pat Venable, Deb Martin, Mary Johnson.

Note: Beginning with this issue of Quality Update, "disbanded" teams will be featured.



Φ PARKER

Do You Know About Our Quality "Library"?

We have many books, videotapes and magazines that you are welcome to check out. The library was recently moved to the first floor personnel office. Erlene Cox is the "librarian."

Videotapes

1. In Search of Excellence (Peters and Waterman)
2. A Passion for Customers (Peters)
3. Quality Is Free (Crosby)
4. A Message from James Houghton (CEO of Corning Glass)
5. Working for Quality (Wisconsin Power and Light)
6. Japanese Applications of Statistical Methods (Ford)
7. Management's Five Deadly Diseases (Deming)
8. Roadmap for Change: The Deming Approach
9. Roadmap for Change: The Deming Legacy
10. Why Quality? (Guaspari)
11. Thriving on Chaos (Teleconference with Tom Peters)
12. Copy Products Challenge (Kodak)
13. Quality Improvement in Copier Manufacturing (Kodak)
14. You Can Take It With You (American Management Association)
15. The Leadership Alliance (Peters)
16. Quest for Quality (Tennant Company)
17. National Quality Forum IV "Beyond Customer Satisfaction" Part I
18. National Quality Forum IV "Beyond Customer Satisfaction" Part II
19. The Shape of the Winner (With Tom Peters)
20. Turnabout - by Dartnell (Telephone Service)
21. Calcomp: Keeping America Competitive (World Class Manufacturing)
22. Meeting Robbers (American Management Association)
23. What's Quality Got to Do With It? (3M)
24. Right First Time (British Productivity Council)
25. We're on the Same Team Remember? (Featuring The Miller Company)
26. Winner's Attitude (Ziglar)

Books

1. A Jumpstart to World Class Performance (Garwood & Bane)
2. Bills of Material (Garwood)
3. How to Take Part in the Quality Revolution - A Management Guide (P.A. Management Consultants)
4. I Know It When I See It (Guaspari)
5. Out of the Crisis (Deming)
6. Quest for Quality (Hall/Tennant Company)
7. Quality Is Free (Crosby)
8. Quality Without Tears (Crosby)
9. The Goal (Goldratt)
10. The Right Choice (Gray)
11. Thriving on Chaos (Peters)
12. Manufacturing Planning and Control Systems (Vollmann)
13. Introduction to Quality Engineering (Taguchi)
14. Taguchi Methods - Orthogonal Arrays and Linear Graphs (Taguchi)

Binders and Magazines

1. Binder of Miscellaneous Total Quality Articles
2. Binder of Miscellaneous World Class Manufacturing Articles
3. Quality Progress Magazine
4. Binder of Manufacturing Quality Council Meeting Minutes - February 15, 1988 - December 13, 1989
5. Quality Improvement - A Total Organizational Approach (University of Wisconsin School of Business)
6. Sterling Silver Engraving Team - Disbanding Binder
7. Meetheads Team - Disbanding Binder
8. Gauge R&R Team - Disbanding Binder
9. P.E.T.T. Team - Disbanding Binder
10. Trim and Chamfer Team - Disbanding Binder
11. Binder of Quality Steering Team Meeting Minutes - July 24, 1989 - December 18, 1989

QUALITY *Update*

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February 1990

Sterling Silver Engraving Team Saves Big Dollars

Team Name: Sterling Silver Engraving

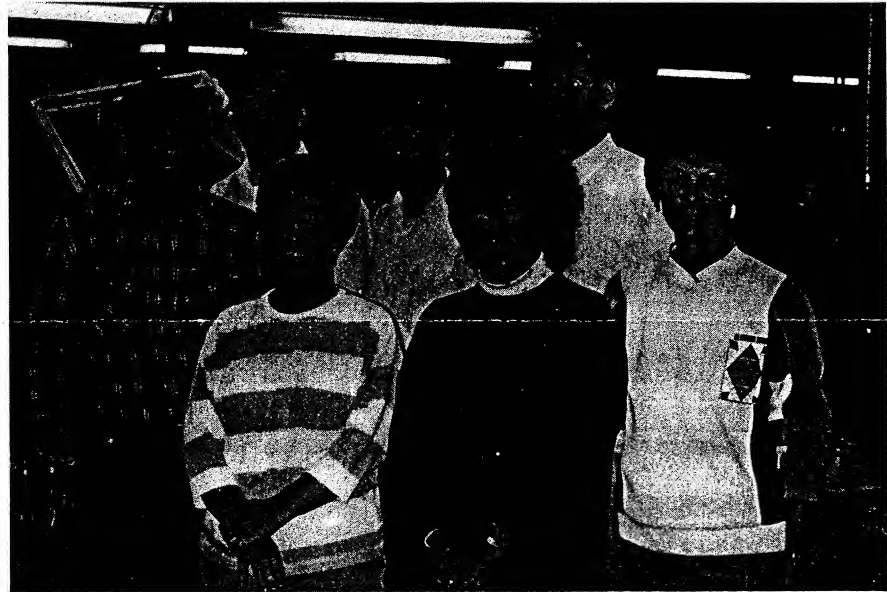
Team Members: Ken Crandall - Team Leader

Dan Beeman
Bonnie Prochaska
Rose Roehl
Chuck Hainstock
Steve Tinkler
Bob Manthei
Rochelle Walker

Beginning and ending dates: February 1988
- April 1989

Team Mission: To reduce engraving scrap.

Those nice lines on Sterling Silver Classic pens and pencils are not easy to make. When this team started, scrap from the process averaged \$5,043 per month for the previous six months. By "brainstorming" potential causes of the scrap, iden-



The Sterling Silver Engraving Team. Front Row (L to R): Rose Roehl, Rochelle Walker, Bonnie Prochaska. Back Row (L to R): Dan Beeman, Chuck Hainstock, Ken Crandall, Steve Tinkler. Not Pictured: Bob Manthei (Retired)

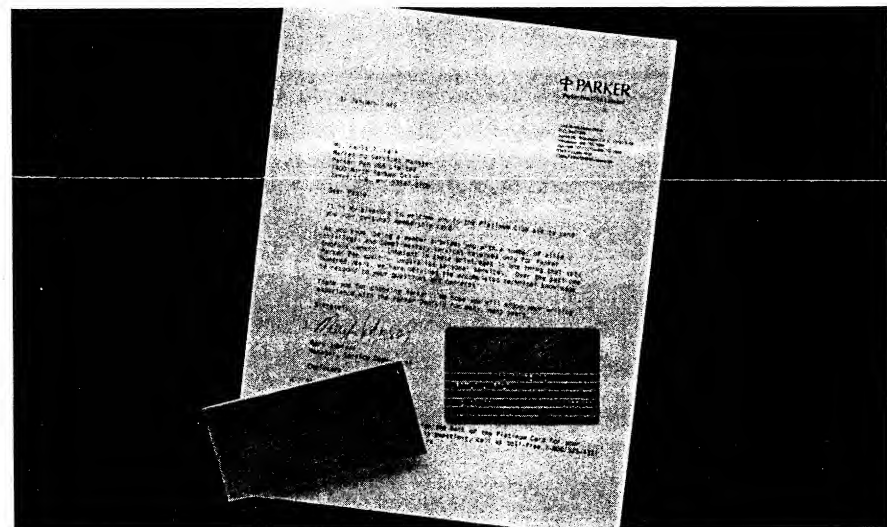
tifying solutions and taking action on them, the team was able to bring down the scrap cost to an average of \$727 per month for the three months prior to their disbanding (despite making significantly more units).

Since the team disbanded in April 1989, the low scrap levels have continued to improve. September 1989 scrap was at approximately one-half the level of the first half of the year.

Platinum Club Survey Measures Conformance To Customer's Expectations

Customers who buy Duofolds in the U.S. have the option of joining the "Platinum Club", a program of Parker Pen USA. Benefits of joining it are: - Lifetime warranty (as with all Parker writing instruments). - Free pen servicing once per year for ten years. This includes free nib exchanges and free refills. - Free monogramming. - An 800 number just for Platinum Club members. - A personal membership card.

Our Quality Essential #1 is: "Quality is consistent conformance to customers' expectations." Feedback from external customers is very important if we are to know their feelings and meet their expectations. In late 1989, our Marketing Department sent out a survey to 3000 Platinum Club members to measure our conformance to their expectations. Fourteen questions were asked. Some of the results from the approximately 1500 returns are: - 1249 mem-



The letter and personalized card sent from Mary Johnson-Service Manager to new members after enrolling in the Platinum Club.

bers would definitely buy a Duofold again. Similar numbers of Duofold owners would recommend the Duofold to a friend. - The most frequent use of Duofolds is the signing of business letters, followed closely by

the writing of personal letters. - 992 members bought their Duofolds for themselves and 423 received them as a gift. - Most Duofold owners are in the 35-44 age category.

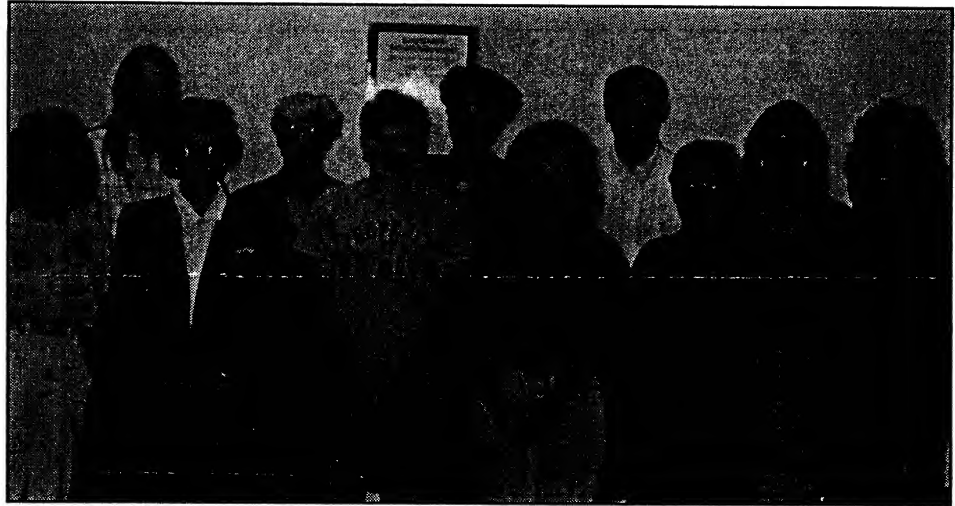
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December 1990

New Employees Help Improve New Employee Orientation

In September 1990, during three one-hour meetings, 17 employees hired within the last 15 months and from most areas of Arrow Park brainstormed a list of 68 "things that should be covered in new employee orientation." This information will be used to develop a "New Employee Handbook" and for other applications.



This is part of the group of new employees that created a list of "things that should be covered in new employee orientation," with Personnel Representative, Paula Hellenbrand. (L to R): Gayle Davis, Judy Wellenkotter, Anne Stuessy, Marilyn Thoreson, Tim Gorman, Jamie Legreid, Maxine Sanford, Mike Flood, Diane Stephenson, Paula Hellenbrand. Not pictured: Christina Bell, Ellen Crapp, Dennis Donahue, John King, Rich MacNeille, Patty Rott, and Lynn Sorgatz.

Nine of the new employees have volunteered to be part of the group that will plan for and implement the ideas that the larger group generated. Paula Hellenbrand is the leader of this project and Owen Jones is the mentor.

In-House Workshops Offered To Employees

"Education and continuous learning form the basic ingredients for the long term success in any company. . ." starts the preface written by Peter Bentley to the new "Parker Pen USA Ltd. Workshops" booklet. The booklet contains information on the In-House Workshops that are currently being offered to employees or that will be offered in the near future. A listing of these courses is given below. The booklet with the details of the In-House Workshops is available in the first and second floor personnel offices and from supervisors. The booklet will be updated twice per year.

If you feel that there is a course that would help you in your job, please discuss it with your supervisor. Registration forms are available from supervisors and both personnel offices.

Winter/Spring '90/'91 In-House Workshops

(Instructors are given in parenthesis)

Accounting For The Non-Accountant
(Shane Dolohanty)

Adult C.P.R. (Connie Sveum)

Computer Awareness Clinic (Dennis Hopper)

First Responder (Connie Sveum)

Hazardous Material Workshop
(Don Brickham)

Introduction To The Personal Computer
(Herb Huebner, others)

Juran On Quality Improvement
(Owen Jones, Dick Weisgerber)

Managing Total Quality - Review
(Peggy Eagan, Dan Fredricks, Brad Horner)

Parker Products And Services
(Vern Desbien, Jim Kukuk, Rich MacNeille)

Problem Identification And Analysis
(Brad Horner, Mary Johnson)

S.P.C. And Problem Solving - Masters Level (Brad Horner)

S.P.C. And Problem Solving - Basic Level
(Chris Pastore, Engineers, Production Supervisors)

Modern Design Of Experiments
(Chris Pastore, others)

Team Leader Workshop
(Brad Horner, Herb Huebner)

Team Member Workshop
(Brad Horner, Supervisors/Managers)

Time Management (Shane Dolohanty, Owen Jones)

Word Processing - Basic (Cheryl Smith)

Your Role In Quality (Peggy Eagan, Dan Fredricks, Brad Horner, Wayne Lubke, others)



TOTAL QUALITY PROCESS

Milliken "Culture" Impresses Directors

Editor's note: This is the second set of articles written by board members on their recent visit to 1989 National Quality Award Winner, Milliken and Company, in South Carolina. Articles by Shane Dolohanty, Norman Morse and Bob Walker will be in future issues of Quality Update.

It was obvious within minutes of arriving that Milliken is a very wealthy and very successful American textile company. As we walked through the building, we saw from the charts and team photographs at every department that this is a different type of organization.

At the heart of their new culture are their employees--excuse me, their "associates." Ten years ago, Roger Milliken realized that their Pursuit of Excellence would only be possible through all employees having the autonomy and resources to resolve and prevent problems. He realized that this radically different way of doing business had to start with him as "walking the talk," not just "talking the talk." It took several years before his passionate commitment percolated through every part of the company.

Most companies would be pleased to

have reached the level of excellence attained by Milliken, but they are not resting. They are driving harder than ever, developing new ways to improve and serve their customers better than any competitor. High expectations for improvement are driven by their 10/4 program which stands for tenfold improvement in the next four years. This level of commitment to excellence has resulted in improvements in all areas of the company including customer lead times (custom carpets now in seven days) and late delivery (only one late order in the last six months).

To keep track of these goals and in fact all improvements, they strongly emphasize the use of measurement. They measure everything from the number of sheets of paper created to the number of supplier orders issued direct from their computer (no paperwork involved). Tom Malone, Milliken's Chief

Operating Officer, said that "if you're not keeping score, then you're just practicing."

I was asked to write 2-3 paragraphs on the visit to Milliken but found that very difficult since so much was learned and reinforced. Upon reflection, I'm left even more convinced that the Total Quality Process we've begun at Parker Pen USA Ltd. is the only improvement strategy that will bring the type of success seen at Milliken--not overnight--for this, as we know, is a long term strategy for all our futures. We are on the same journey as Milliken, just a little further behind. But with the advantage of learning from their experience and, yes, their mistakes too.

Owen Jones
Director, Manufacturing and
Distribution

On September 12th, I visited Milliken for the fourth time. This visit was different because our reasons for going were different. Prior to this visit, the reason had been an attempt to solicit business from them not gain information and insight about their Pursuit of Excellence Process.

Despite the reason (and my former visits), I was again impressed. Milliken is a company in an industry (textiles) that could be extremely boring and almost repressive for their employees. Yet they have found ways to build excitement and enthusiasm into their products and into the daily lives of their people. This has

not happened by accident. They first had to take stock of their position and then plan to make many cultural changes within the organization. These changes have not occurred overnight, but with persistence and continued employee involvement, many positive changes have occurred.

Management has changed, employees have changed, and the work environment has changed. The effect of these changes has been to make Milliken a \$1,000,000,000+ corporation with over 50 plants and no long term debt. They have established themselves as the dominant quality leader in their field, not

only in U.S.A., but worldwide. Even though it took time and effort, they clearly have done things right.

I believe we at Parker Pen have these same opportunities ahead of us. Our Total Quality Process can lead us to positive change and growth if we have the patience and make the efforts required. Others have led the way. We need only to follow.

Vern Desbien
Director, Corporate
Market Operations

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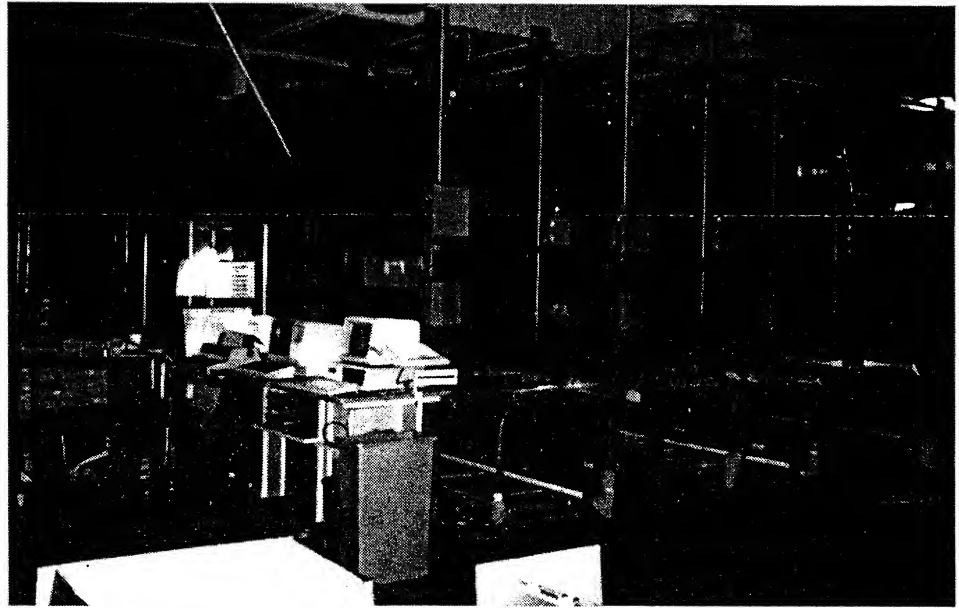
WORLD CLASS MANUFACTURING . . . Progress at Arrow Park

World Class Manufacturing is characterized by a company's ability to provide very high quality products at low cost. Customers also expect quick delivery when they have placed an order.

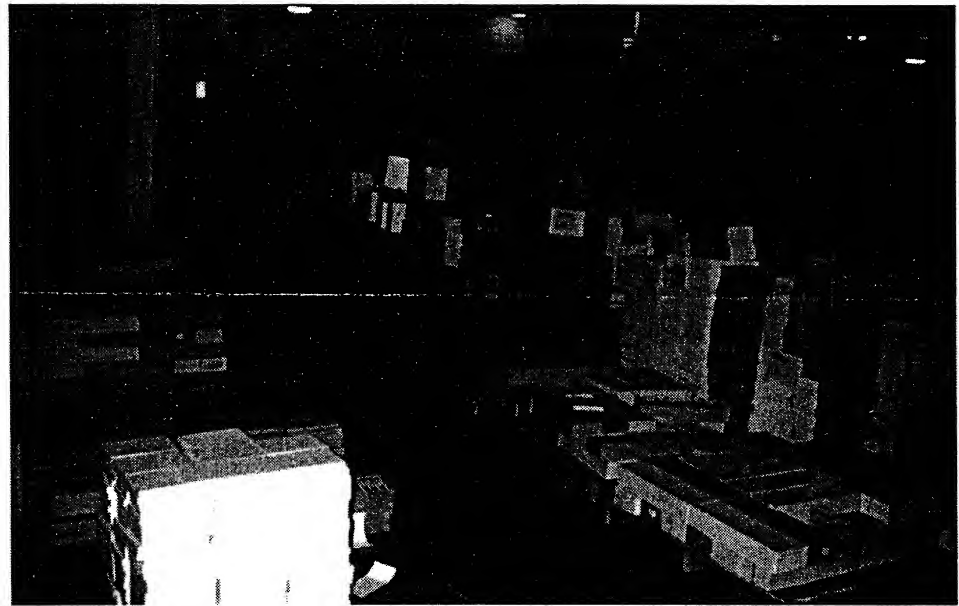
These photos are evidence of the type of activities which are under way at Arrow Park to help achieve WCM standards.

In 1983, we installed "state-of-the-art" carousel systems in Stockroom 16. This was our central stockroom for work-in-process parts and assemblies. At the time, it was thought that an automated warehouse would help us manage our business in a more organized and contemporary fashion. Time passed, and our thinking changed. We realized that this facility was actually having an undesirable impact on our ability to become a World Class company. Generally, it added cost to our products and did not enhance the quality process, since it reduced our ability to respond quickly to customers.

Recently we removed the Stockroom 16 carousels. Through Just-In-Time methods we significantly reduced work-in-process inventories to the point where the stockroom was no longer necessary. The remaining inventory was moved into production areas of the plant where it could be monitored from the point of use. As the carousels were eliminated, a large amount of badly needed space was made available to the Janesville Distribution Center (JDC). Within a short period of time, multiple level pallet racking will be erected in this area resulting in an improved JDC organizational layout. At the bottom line, this project has eliminated cost and waste while providing an improvement which will help us better serve our customers.



Before . . .



After . . .

From a technical point of view the photos might not look like an improvement. In reality they represent another step towards becoming a truly "World Class" manufacturing company.

 PARKER

TOTAL QUALITY PROCESS

NEWLY REGISTERED TEAMS

Team Name: C.M.D. Alternative
Chemical Testing

Team Members: Diane Eddy
Sherry Helling
Kris Hoffland
Marty Peters (Leader)
Linda Schiller

Team Mission: To secure, test and
replace existing hazardous and
flammable cleaning chemicals within
C.M.D.

Team Name: J.I.T. Steering Team II

Team Members: Colleen Adamany
Dick Ayen
Bill Colby
Melody Erdman
John Jacks
Owen Jones
Bill Keiser
John King
John Livick
Mike McCarthy
Dave Nelson (Leader)
Rose Roehl
Dick Troon
Dick Weisgerber

Team Mission: To promote a manu-
facturing strategy based on Just-In-Time
principles that coordinates all current and
future World Class activities at Arrow
Park.

MILLIKEN AND PARKER COMPARED

(Editor's Note: This is the fifth article written by a Parker Pen USA Board Member on the visit they made in late 1990 to the 1989 National Quality Award Winner, Milliken and Company.)

Milliken is a very profitable and successful company. It is a very unusual company in that its sales exceed a billion dollars and it is owned by the Milliken family. Shareholders outside the family thus do not exist, allowing Roger Milliken to be both owner and Chairman. In his role as Chairman, or long term strategist, Roger Milliken looked to bring about improvements in his company. Without the short term pressures normally associated with outside stockholders, Milliken embarked on a "Pursuit of Excellence" program which really amounted to an effort to change the culture of the Company.

Pursuit of Excellence is a never ending strategy of continuous improvement which required Milliken to change from

a typical downward management style to one of open communications upward as well as downward. This requires an open attitude of sharing and trust by all employees along with a long range vision by top management. Milliken also emphasized what they called a "Bias for action" by all teams. By this they meant that teams use common sense before attempting a change but that the idea or innovation should not die due to continual meetings on the subject prior to attempting improvement.

When I compare Milliken to Parker a few thoughts come to mind:

Although Parker has had success in the last few years, we must constantly remind ourselves that only by continuous

improvement will we guarantee future success. We must continually be careful not to slip into self-centered attitudes and remember we are a team.

Teams need to have a "bias for action." Common sense should always prevail; however, teams should be moving forward at all times. Milliken appeared to have teams get together, work quickly to resolve a problem and move on. It is obviously better to accomplish a few things than discuss many. Often the accomplishments provide the catalyst for further improvement.

Shane Dolohanty
Director of Finance

QUALITY *Update*

News about the Total Quality Process

March 1991

Team Puts Dollar Value To Quality Activities

Team Name: Cost of Quality Steering Group

- Team Members:
- Rick Dill
 - Brad Horner (Leader)
 - John Jacks
 - Owen Jones
 - John Livick
 - Tom Montgomery
 - Steve Schuler
 - Dick Weisgerber

Began: October 1987 Ended: May 1990

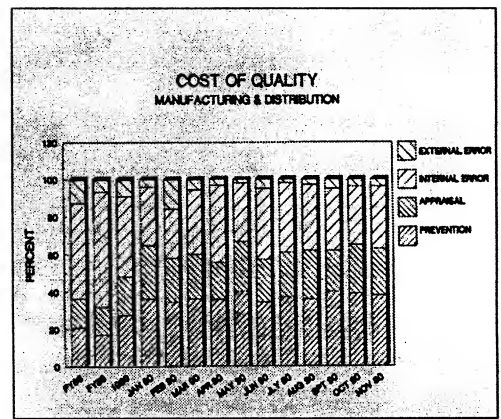
Team Mission: To plan and implement systems to collect and use data on "cost of quality" in Manufacturing and Distribution.

Although internal and external customer satisfaction indices are the best way to measure quality, using dollars to measure quality activities is a meaningful way to track progress. This team, along with their departments, divided all Manufacturing and Distribution time and expenses into five categories: "Prevention" (eg. planning, training), "Appraisal" (eg. inspecting, proofreading), "Internal Error" (eg. waste, rework), "External Error" (eg. handling external customer complaints) and

"Operational" (eg. raw material costs, making and selling product). The first four categories are called "Cost of Quality" categories.

Daily/weekly time sheets and timecards from office and production personnel, along with standard accounting reports provide the data that is used for Cost of Quality measures. A survey done in October 1989 indicated that most employees feel that the system is worthwhile, the data is generally believable and that Cost of Quality concepts had somewhat changed the way that they think about how they should spend their time in doing their job.

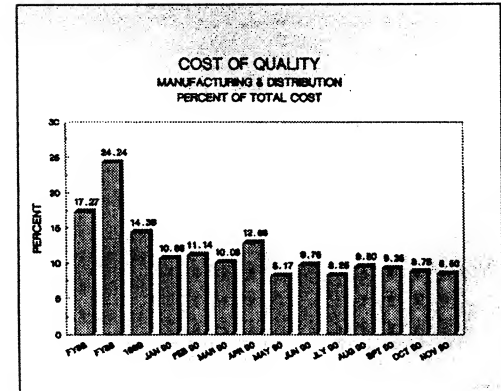
Over the past 3-1/2 years, the desired trends in the data have emerged as the charts indicate. More time and money is being spent on "prevention" activities and less on internal/external errors ("fire fighting"). In addition, the overall amount of time and expenses spent on quality (prevention, appraisal, internal/external errors) has gone down which means more time is being spent on "operational" (value adding) activities.



This chart shows the desirable trend of prevention costs increasing and error costs decreasing in relative proportion. The concept of "work smarter, not harder" appears to be catching on.



The Cost of Quality Steering Group (L to R): John Livick, John Jacks, Owen Jones, Brad Horner, Tom Montgomery, Dick Weisgerber. Not pictured: Rick Dill, Steve Schuler.



This chart shows the desirable trend of decreasing percentages of operating costs being spent on quality. The increase in prevention costs have been more than offset by decreases in the internal/external error categories.

Newly Registered Teams

Team Name: Ball Pen Refill TPM Action Team

Team Members: Harold Baumgartner
(Coordinator)
Dennis Berlowski
David A. Miller
David W. Miller
Chris Pastore (Leader)
Dan Piehl
Ron Raymer
Keith Sullivan

Team Name: Vector Cell TPM Action Team

Team Members: Linda Avery
Harold Baumgartner
(Coordinator)
Judy Bird
Darius Cavey
Mike Conway (Leader)
Mike Flood
Marlene Geronimi
David Hanel
Jane Mueller
Carol Perkins
Lynn Sorgatz
Nancy Spenske
Al Vierck
Darlene Zillmer

Team Name: Duofold Implementation Team

Team Members: Colleen Adamany
Ron Anderson
Dick Ayen
Ken Crandall
Dave Duranti
John Jacks
Owen Jones
John King
Laura Van Nuland
Marty Wacha (Leader)
Dick Weisgerber

Team Name: T.I.P. (Technical Information Project) Team

Team Members: Ken Crandall
Owen Jones
Rich MacNeille
(Leader)
Chris Pastore

Anne Stuessy
Marty Wacha
Bob Walker
Dick Weisgerber

Team Name: I.M.P. (Improving Marketing Planning) Team

Team Members: Peter Bentley
John King
Wayne Lubke
Rich MacNeille
Bob Walker (Leader)
Greg Watts

Team Name: 8905 Steering Group

Team Members: Dick Ayen
Rick Dill
John Ittner
John Jacks (Leader)
Owen Jones
John King
John Livick
Dick Troon
Dick Weisgerber

Team Name: 8905 Project Implementation Teams (13 teams)

Team Members: Dick Adam
Colleen Adamany
Ron Anderson
(Leader-Engraving Team)
Dick Ayen (Leader-Coatings Team)
Bill Bargholtz
Harold Baumgartner
Donna Beitlich
Marilyn Biggerstaff
Louis Chalchoff
Cathy Christianson
Wally Clark
Jean Coleman
Ken Crandall (Leader-Quality Assurance & Testing Team)
Dennis Denzien
Vern Desbien
Dave Duranti
Mike Ellis
Vicki Enger
Bill Fanning
Gary Fisher
Marion Geiger
Chuck Hainstock
Chuck Happel

Peggy Helwig
John Houseman
John Ittner (Leader-Clip Badge Team)
John Jacks (Leader-Eyelet Team)
Donna Johnson
Mary Johnson (Leader-After Market Repairs Team)
Harley Jung
John King (Leader-Project Planning Team)
Jim Kukuk (Leader-Tubbing and Sundstrand Team)
Bob Kuranz
Jackie Levihn
Harry Lietz
John Livick (Leader-Focused Factory Team)
Bob Luebke
Rich MacNeille
Pat Maloney
Aaron Matteson
Mike McKilligin
Dave Nelson
Chris Pastore
Marty Peters
Chuck Rote
Steve Schuler
Lynn Sorgatz
(Leader-Finished Unit Assembly Process Team)
Ed Swets
Steve Tinkler
(Leader-Sputtering Team)
Dick Troon
Pat Venable
Marty Wacha (Leader-Packaging Team)
Dick Weisgerber
Roger Willeford
Monica Woodard
Dave Zeier (Leader-Cap & Barrel Polishing & Trim Team)
Herman Zillmer